

Congress of the United States
Washington, DC 20515

May 19, 2010

The Honorable Gary Locke
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Ave., NW
Washington, DC 20230

Dr. Robert Groves
Director of the U.S. Census Bureau
U.S. Census Bureau
4600 Silver Hill Road
Washington, DC 20233

Dear Secretary Locke and Dr. Groves:

We write to request a meeting with you to discuss procurement practices at the Department of Commerce and U.S. Census Bureau.

Almost a month ago, Congressman Lipinski sent you a letter detailing his concerns regarding the U.S. Census Bureau's compliance with the Buy American Act of 1933 (41 U.S.C. §§ 10a et seq.) with respect to promotional items purchased for the "March to the Mailbox" campaign in Chicago. We have yet to receive a response, either to these letters or to repeated inquiries with the Census Bureau's Congressional Affairs office. But the incomplete and contradictory information we have gleaned from both the press and official sources leads us to believe that there may be systemic problems with how the Department is tracking its procurements and complying with the Buy American Act.

First and foremost, we would like to discuss the promotional materials purchased for all 2010 Census advertising campaigns. It is our understanding that as part of these campaigns the Census Bureau has spent millions of dollars on items such as hats, T-shirts, and other shirts that were not manufactured in the United States. While we appreciate the importance of boosting response rates, we firmly believe that there are American suppliers who could have supplied these promotional materials.

Our continuing examination of this matter has lead to additional questions about the Census acquisition process:

- How much did the Census directly spend on manufactured goods used in 2010 promotional campaigns?
- How much was spent indirectly through subcontractors?
- Which subcontractors were involved in the promotional campaigns?
- What percentage of the total value of these goods is domestically produced?
- How do these purchases comply with the Buy American Act?
- Who at the U.S. Census Bureau is responsible for ensuring Buy American compliance?

- Who was responsible for the procurement of the promotional materials used in the “March to the Mailbox” campaign in Chicago?

During the course of our effort to get answers these questions, we were told that the items in question complied with Buy American requirements by virtue of being substantially transformed through artwork or printing. We were also told that American manufacturers could not produce the necessary items sufficiently quickly, that the procurements fell below the micro-purchase threshold, and subcontractors were responsible for the advertising campaign. Finally, Stephen Buckner of Census Bureau Public Information Office has implied that the promotional materials, though manufactured abroad, were in compliance because they were purchased through an American company.

These contradictory answers cause us to worry that the Census Bureau may have systemic, institutional problems in how it is implementing procurement procedures, disseminating Buy American policies, authorizing and tracking waivers and exemptions, and complying with reporting requirements.

These concerns were reinforced when we reviewed the FY 2007 and FY 2008 Department of Commerce reports on acquisitions of articles, materials, or supplies that were manufactured outside of the United States required under Section 8306 of the U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act [Pub. L. 110-28]. These two reports claim that no Buy American waivers were issued during either of these two years, and that total expenditures for procurement of manufactured goods were about \$20 million for the entire Department. It also appears that the Department is confusing an exemption from the coverage of the Buy American Act with a waiver for a covered purchase.

We would like you to explain how the U.S. Census Bureau and the Department of Commerce tracks acquisitions generally, and the aforementioned promotional materials specifically. Concretely, we would like to know:

- Who is responsible for authorizing purchases for items manufactured or produced outside of the U.S.?
- Who is responsible for approving Buy American waiver requests?
- What is the Census Bureau’s procedure for determining whether items manufactured outside of the U.S. are covered by the Buy American Act?
- How does the Census Bureau track waivers to the Buy American Act?
- Will these waivers and these acquisitions be included in this year’s Department of Commerce report on acquisitions of goods manufactured abroad?
- Do the Department and Bureau include Buy American requirements in their contracts with private vendors or subcontractors?
- Do the Department and the Bureau have training procedures to ensure that personnel responsible for procurements comply with Buy American requirements?

We hope you will agree that it is our mutual obligation to make certain that taxpayer dollars are spent in a transparent, accountable, and legal manner. Domestic procurement requirements were

legislated by Congress because they help create American jobs and support U.S. businesses, something that is especially important during the current recession. Receiving hats and t-shirts made in China or Bangladesh is an affront to the millions of Americans that are looking for work, and could lead to unfavorable views of the Census Bureau, perhaps even leading to lower response rates.

We look forward to discussing these issues at your earliest convenience.

Sincerely,



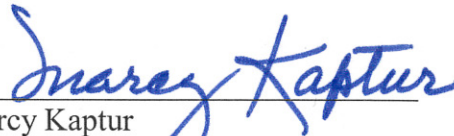
Daniel Lipinski
Member of Congress



Phil Hare
Member of Congress



Mark Schauer
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Marcy Kaptur
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Mike Michaud
Member of Congress



Carol Shea-Porter
Member of Congress



Alcee L. Hastings
Member of Congress



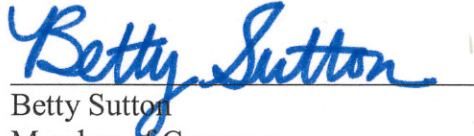
Dale E. Kildee
Member of Congress



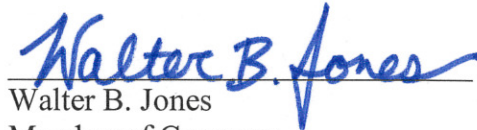
Larry Kissell
Member of Congress



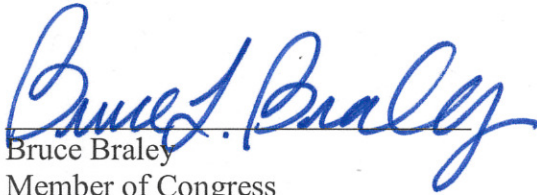
Linda T. Sanchez
Member of Congress



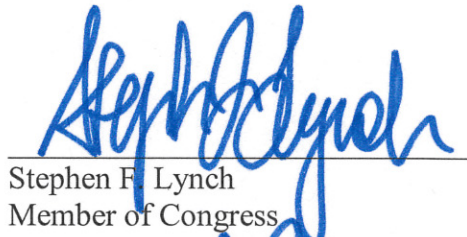
Betty Sutton
Member of Congress



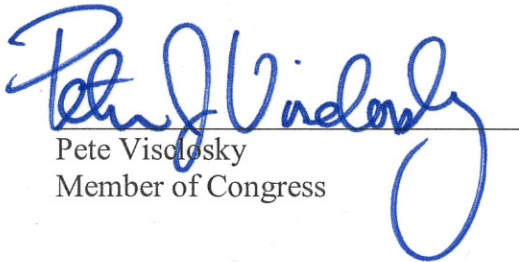
Walter B. Jones
Member of Congress



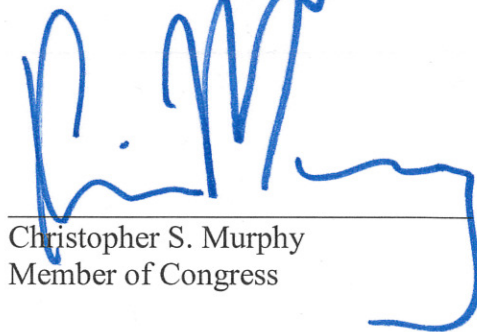
Bruce Braley
Member of Congress



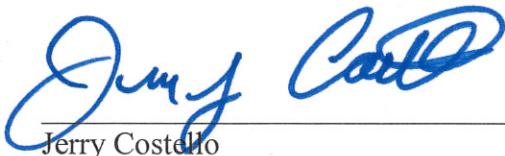
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